

**U.S. Senate**  
**Republican Policy**  
**Committee**

Larry E. Craig, Chairman  
Jade West, Staff Director

No. 84

# Legislative Notice

Editor, Judy Gorman Prinkey

July 23, 1998

## **S. 2312 – Treasury and General Government Appropriation Bill, FY 1999**

Calendar No. 470

Reported from the Senate Appropriations Committee on July 15, 1998, with amendments, by a vote of 28-0. S. Rept. 105-251.

### **NOTICEWORTHY**

- S. 2312, an original Senate bill, provides \$29.92 billion in new budget authority for the Department of the Treasury, the U.S. Postal Service, the Executive Office of the President, and various independent agencies for FY99. This amount is \$4.6 billion above the FY99-enacted amount, and \$3.09 billion above the budget request. [See attached chart.]
- The Committee increases funding for drug enforcement, gang resistance, and IRS customer service.
- The bill prohibits any funds from being used to implement actions called for solely under the Kyoto protocol, prior to its ratification; and directs the Administration to provide a detailed plan for implementing key elements of the President's climate change technology initiative in its FY 2000 budget submission (see Committee Report, page 6).
- Both the Senate and House bills contain language that would freeze the cost-of-living increase for FY99 for any employee tied to the executive schedule, including members of Congress.
- The bill is silent on the issue of abortion coverage in federal employees' healthcare plans.

## HIGHLIGHTS

### Title I, Department of the Treasury

- **Violent Crime Control and Law Enforcement Funding:** The Committee provides \$132 million for Treasury enforcement of violent crime control and law enforcement activities, which is \$1 million more than FY98, and \$172,000 less than requested. Included in this funding is \$13.2 million for BATF anti-gang programs for grants to local law enforcement organizations, \$54 million for the U.S. Customs Service to increase border security, and \$15.4 million for the U.S. Secret Service. Also, \$45 million is provided for interagency crime and drug enforcement.
- **Bureau of Alcohol, Tobacco and Firearms (BATF):** The Committee appropriates \$529.5 million for salaries and expenses (an increase of \$50.6 million over last year). This increase includes \$27 million to continue and expand the youth crime gun interdiction initiative, with a portion of the funds to be used to hire 81 experienced trafficking agents to expand the initiative into other cities. In addition, the Committee includes \$2 million to hire 15 violent crime coordinators to assist the Justice Department in prosecuting cases.
- **Customs Service:** The Committee provides \$1.63 billion for salaries and expenses of the U.S. Customs Service (\$108.1 million above last year). The Committee provides \$54 million for nonintrusive inspection technology to support Customs' counterdrug activities, and \$4.05 million for southwest border anti-drug technology. It also includes funding for the international child labor initiative, as well as \$4.2 million for integrity assurance measures.
- **Internal Revenue Service:** The Committee appropriates a total of \$7.85 billion for the Internal Revenue Service (\$110 million above FY98, and \$487 million below the request). Included in this total is \$3.1 billion for processing, tax assistance and management (\$152 million over last year); \$3.2 billion for tax law enforcement; and \$1.3 billion for information systems. The Committee provides \$60 million in increased funding to improve IRS customer service.

#### IRS Legislative Provisions:

- require the agency to safeguard the confidentiality of taxpayer information;
- direct the agency to make funds available for improved facilities and increased manpower to provide effective 1-800 telephone assistance for taxpayers; and
- authorize the Secretary to encourage the use of electronic filing services.

- **U.S. Secret Service:** The Committee appropriates \$584.9 million for salaries and expenses, an increase of \$20.6 million over last year. The Committee has included funding for counterfeit investigations (\$5 million) and the 2000 candidate and nominee protection program (\$7.7 million)+.

## **Title II, U.S. Postal Service**

- **Payments to the Postal Service Fund:** The payment to the Postal Service Fund is \$71.2 million for free mail for the blind and overseas voters. Due to budget limitations, the Committee did not provide the requested \$29 million for reimbursement to the Postal Service for the revenue forgone program. However, the Committee recognizes the congressional intent to reimburse the Postal Service for these expenses. The committee includes a provision that none of the funds provided be used to consolidate or close small rural and other small post offices in FY99.

## **Title III, Executive Office of the President**

- **Total Funding for Title III:** The Committee recommends \$3.8 billion, of which \$3.25 billion is in contingent emergency funding to address the Year 2000 conversion problem. Otherwise, the Committee provides the requested amount for each of the accounts funded under this title, excepting Office of National Drug Control Policy (\$11.6 million more than requested), and an account labeled "Unanticipated Needs." Regarding the latter, \$1 million was requested, none was provided and none provided last year.
- **Special Forfeiture Fund:** The requested amount was \$251 million and the Committee provided \$200 million, compared to \$211 million last year. This fund was established by the Anti-Drug Abuse Act of 1988, to be administered by the Director of the Office of National Drug Control Policy. Of the funds provided, \$175 million is for the second year of a five-year national media campaign to reduce and prevent drug use among young Americans. Provisions were included to require matching commitments and corporate sponsorship and regular reporting to Congress on expenses and results. Also, \$20 million is provided for matching grants to drug-free communities (doubles funding over last year), and \$5 million to expand a hardcore drug users study conducted in Cook County, Illinois, to regional areas.
- **Office of National Drug Control Policy:** The Committee increases funding to \$48 million, an increase of \$11.6 million above the request.
- **Federal Drug Control Programs:** The Committee provides \$171 million (\$12 million above last year and \$9 million above the request) for High-Intensity Drug Trafficking Areas (HIDTA's). Of this total, not less than \$90.6 million is provided specifically for assistance to State and local drug control agencies in the 20 HIDTA's: New York,

Miami, Houston, Los Angeles, Baltimore-Washington metropolitan area, Puerto Rico-Virgin Islands, the Southwest border, Chicago, Atlanta, Philadelphia-Camden, the gulf coast, Lake County, IN, the Midwest (Iowa, Kansas, Missouri, Nebraska, South Dakota), the Pacific Northwest (Washington Cascades), the Rocky Mountain region (Colorado, Utah, Wyoming), central Florida, Kentucky/Tennessee/West Virginia, Milwaukee, San Francisco Bay area, and southeastern Michigan. Also, the Committee provides an additional \$1.5 million to expand the Milwaukee HIDTA's and \$1.5 million to continue the Rocky Mountain methamphetamine program. The Committee provides \$5 million for new HIDTA's in Dallas/Fort Worth and \$1 million for the New England HIDTA, if the Director determines these locations meet the designated criteria.

- **Information Technology Systems:** The Committee has provided \$3.25 billion in contingent emergency funding to be used exclusively to address the year 2000 conversion problem. The Committee expects all agencies within the jurisdiction of this bill to work with the Office of Management and Budget for release of emergency funding to address their needs.

## **Title IV, Independent Agencies**

- **General Services Administration:** The Committee appropriates a total of \$649.5 million, which is \$505.9 million above last year. This amount is \$508.8 million above the request. The Committee provides \$552.8 million from the Federal buildings fund for court house construction to avoid increased costs due to delays.
- **Office of Personnel Management:** The Committee provides a total of \$13.44 billion (the same as requested) for OPM, the bulk of which is for the government payment for annuitants, employees health benefits (\$4.63 billion) and for payment to the civil service retirement and disability fund (\$8.68 billion). The amount provided is \$643 million higher than last year's with the increases mostly coming from the two aforementioned accounts. Also included in this total is \$85.4 million for salaries and expenses, which is equal to the budget request and the same as last year.
- **National Archives and Records Administration:** The bill provides \$221 million for operating expenses and \$11.3 million for archives facilities repairs and restoration. Funding for the National Historical Publications and Records Commission grants program is increased to \$11 million (which is double the 1998 funding level).
- **Funding for other independent agencies:**
  - \$33.7 million for the **Federal Election Commission** (\$2 million above last year);
  - \$32.8 million for the **U.S. Tax Court**;
  - \$22.6 million for the **Federal Labor Relations Authority**; and

## **General Provisions**

The bill contains a number of general provisions that have been carried in the bill in prior years (Committee report, pages 74-78) as well as new provisions added by the Committee to:

- Direct the U.S. Marshals Service to conduct a quarterly threat assessment to determine the security needs of the Director of National Drug Control Policy.
- Blocks the annual cost-of-living adjustment for any employee tied to the executive schedule, including members of Congress, Judges, and Executive Branch officials.
- Prohibit acquisition of products produced by forced or indentured child labor.
- Provide for a 3.6-percent increase in rates of basic pay for rank and file Federal employees.
- Provide monetary relief to importers of firearms whose legally purchased goods were denied entry upon arrival because of the Administration's action.

## **Government Performance and Results Act**

The Government Performance and Results Act of 1993, commonly called GPRA, was enacted to improve management of federal agencies by requiring an emphasis on planning and results. Future funding decisions will be based upon an agency's ability to meet the goals outlined in the strategic plan submitted the previous year.

The Committee noted that the Treasury Department "did not fully portray how the Department's strategies and resources will help achieve the goals, or provide information on how the Department plans to ensure that performance information will be credible." However, it applauded some of its efforts. In some cases, the performance plans were useful in making inquiries of the agencies on priorities for funding, and will be helpful during consideration of next year's budget to determine whether the goals were met.

The Committee considers the full implementation of the Results Act to be a priority for all agencies under its jurisdiction. Agencies are urged to examine the program activities currently supporting their budget requests in light of their strategic goals and to determine whether any changes or realignments would facilitate a more accurate and informed presentation of budgetary information. The Committee strongly urges agencies to ensure that FY 2000 and subsequent budget submissions display amounts requested against program activity structures that bear clear relationships to performance goals.

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## **COST**

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CBO estimates that the bill would result in new outlays of \$22.9 billion in FY 1999, \$2.1 billion in FY 2000, \$536 million in FY 2001, \$351 million in FY 2002, and \$277 million in FY 2002 and beyond.

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## **ADMINISTRATION POSITION**

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At press time, no State of Administration Policy on the bill as reported to the Senate was available.

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## **POSSIBLE AMENDMENTS**

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DeWine. Prohibit using funds from this Act to pay for abortions as a fringe benefit under Federal Employees Health Benefit (FEHB) insurance policies except when necessary to save the life of a mother, or when a pregnancy resulted from rape or incest.

Unknown. Require that any federal employees health benefit plan that offers prescription drug benefits must offer coverage for prescription contraceptives.

Sarbanes. Firefighter pay reform.

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Staff Contact: Judy Myers, 224-2946

[Chart attached.]

## S.2312, Treasury and General Government Appropriations Bill, 1999

### Comparative Statement of New Budget (obligational) Authority For Fiscal Year 1998 and Budget Estimates and Committee Recommendations in the Bill For Fiscal Year 1999

Senate Committee recommendation  
compared with (+ or -)

	1998 Appropriation	Budget Estimate	Committee Recommendation	1998 Appropriation	Budget Estimate
<b>TITLE I -- Department of the Treasury</b>					
Departmental Offices.....	114,771,000	123,846,000	120,671,000	+5,900,000	-3,175,000
Violent Crime Reduction Programs.....	131,000,000	132,172,000	132,000,000	+1,000,000	-172,000
Federal Law Enforcement Training Center.....	97,211,000	100,283,000	81,611,000	-15,600,000	-18,672,000
Bureau of Alcohol, Tobacco, and Firearms.....	533,956,000	576,324,000	529,489,000	-4,467,000	-46,835,000
United States Customs Service.....	1,609,859,000	1,741,753,000	1,733,761,000	+123,902,000	-7,992,000
Bureau of the Public Debt.....	169,426,000	173,100,000	172,100,000	+2,674,000	-1,000,000
Internal Revenue Service.....	7,741,853,000	8,338,853,000	7,851,807,000	+109,954,000	-487,046,000
United States Secret Service.....	573,147,000	601,102,000	592,970,000	+19,823,000	-8,132,000
<b>Total, title I, Department of the Treasury.....</b>	<b>11,378,484,000</b>	<b>12,133,127,000</b>	<b>11,555,137,000</b>	<b>+176,653,000</b>	<b>-577,990,000</b>
<b>TITLE II -- Postal Service</b>					
Payments to the Postal Service	86,274,000	100,195,000	71,195,000	-15,079,000	-29,000,000
<b>Total, title II, Postal Service.....</b>	<b>86,274,000</b>	<b>100,195,000</b>	<b>71,195,000</b>	<b>-15,079,000</b>	<b>-29,000,000</b>

<b>TITLE III—Executive Office and the White House Office Appropriated to the President</b>					
Compensation of the President and the White House Office:					
Salaries and Expenses	51,499,000	52,594,000	52,594,000	+1,145,000	.....
Office of Management and Budget	57,440,000	60,617,000	60,617,000	+3,177,000	.....
Office of National Drug Control Policy	35,016,000	36,442,000	48,042,000	+13,026,000	+11,600,000
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Program	159,007,000	162,007,000	171,007,000	+12,000,000	+9,000,000
Special Forfeiture Fund	211,000,000	251,000,000	200,000,000	-11,000,000	-51,000,000
Information technology systems and related expenses (contingent emergency)	.....	.....	3,250,000,000	+3,250,000,000	+3,250,000,000
<b>Total, title III, Executive Office of the President and Funds Appropriated to the President.....</b>	<b>568,925,000</b>	<b>631,251,000</b>	<b>3,838,441,000</b>	<b>+3,269,516,000</b>	<b>+3,207,190,000</b>
<b>Title IV—Independent Agencies</b>					
General Services Administration	143,565,000	140,735,000	649,487,000	+505,922,000	+508,752,000
<b>Total, title IV, Independent Agencies.....</b>	<b>13,292,084,500</b>	<b>13,963,866,000</b>	<b>14,458,969,000</b>	<b>+1,166,884,500</b>	<b>+495,103,000</b>
<b>GRAND TOTAL.....</b>	<b>25,325,767,500</b>	<b>26,828,439,000</b>	<b>29,923,742,000</b>	<b>+4,597,974,500</b>	<b>+3,095,303,000</b>